

AN ACT regarding finance.

Be it enacted by the People of the State of Illinois,
represented in the General Assembly:

ARTICLE 1

Section 1-1. Short title. This Act may be cited as the
FY2004 Budget Implementation (State Finance-Administration)
Act.

Section 1-5. Purpose. It is the purpose of this Act to
make changes relating to State finance-administration that
are necessary to implement the State's FY2004 budget.

ARTICLE 20

Section 20-5. The Department of Central Management
Services Law of the Civil Administrative Code of Illinois is
amended by adding Section 405-410 as follows:

(20 ILCS 405/405-410 new)

Sec. 405-410. Transfer of Information Technology
functions.

(a) Notwithstanding any other law to the contrary, on or
before June 30, 2004, the Director of Central Management
Services, working in cooperation with the Director of any
other agency, department, board, or commission directly
responsible to the Governor, may direct the transfer, to the
Department of Central Management Services, of those
information technology functions at that agency, department,
board, or commission that are suitable for centralization.

Upon receipt of the written direction to transfer
information technology functions to the Department of Central

Management Services, the personnel, equipment, and property (both real and personal) directly relating to the transferred functions shall be transferred to the Department of Central Management Services, and the relevant documents, records, and correspondence shall be transferred or copied, as the Director may prescribe.

(b) Upon receiving written direction from the Director of Central Management Services, the Comptroller and Treasurer are authorized to transfer the unexpended balance of any appropriations related to the information technology functions transferred to the Department of Central Management Services and shall make the necessary fund transfers from any special fund in the State Treasury or from any other federal or State trust fund held by the Treasurer to the General Revenue Fund for use by the Department of Central Management Services in support of information technology functions or any other related costs or expenses of the Department of Central Management Services.

(c) The rights of employees and the State and its agencies under the Personnel Code and applicable collective bargaining agreements or under any pension, retirement, or annuity plan shall not be affected by any transfer under this Section.

(d) The functions transferred to the Department of Central Management Services by this Section shall be vested in and shall be exercised by the Department of Central Management Services. Each act done in the exercise of those functions shall have the same legal effect as if done by the agencies, offices, divisions, departments, bureaus, boards and commissions from which they were transferred.

Every person or other entity shall be subject to the same obligations and duties and any penalties, civil or criminal, arising therefrom, and shall have the same rights arising from the exercise of such rights, powers, and duties as had

been exercised by the agencies, offices, divisions, departments, bureaus, boards, and commissions from which they were transferred.

Whenever reports or notices are now required to be made or given or papers or documents furnished or served by any person in regards to the functions transferred to or upon the agencies, offices, divisions, departments, bureaus, boards, and commissions from which the functions were transferred, the same shall be made, given, furnished or served in the same manner to or upon the Department of Central Management Services.

This Section does not affect any act done, ratified, or cancelled or any right occurring or established or any action or proceeding had or commenced in an administrative, civil, or criminal cause regarding the functions transferred, but those proceedings may be continued by the Department of Central Management Services.

This Section does not affect the legality of any rules in the Illinois Administrative Code regarding the functions transferred in this Section that are in force on the effective date of this Section. If necessary, however, the affected agencies shall propose, adopt, or repeal rules, rule amendments, and rule recodifications as appropriate to effectuate this Section.

ARTICLE 25

Section 25-5. The Civil Administrative Code of Illinois is amended by changing Sections 1-5, 5-15, 5-20, and 5-120 as follows:

(20 ILCS 5/1-5)

Sec. 1-5. Articles. The Civil Administrative Code of Illinois consists of the following Articles:

Article 1. General Provisions (20 ILCS 5/1-1 and following).

Article 5. Departments of State Government Law (20 ILCS 5/5-1 and following).

Article 50. State Budget Law (15 ILCS 20/).

Article 110. Department on Aging Law (20 ILCS 110/).

Article 205. Department of Agriculture Law (20 ILCS 205/).

Article 250. State Fair Grounds Title Law (5 ILCS 620/).

Article 310. Department of Human Services (Alcoholism and Substance Abuse) Law (20 ILCS 310/).

Article 405. Department of Central Management Services Law (20 ILCS 405/).

Article 510. Department of Children and Family Services Powers Law (20 ILCS 510/).

Article 605. Department of Commerce and Economic Opportunity Community-Affairs Law (20 ILCS 605/).

Article 805. Department of Natural Resources (Conservation) Law (20 ILCS 805/).

Article 1005. Department of Employment Security Law (20 ILCS 1005/).

Article 1405. Department of Insurance Law (20 ILCS 1405/).

Article 1505. Department of Labor Law (20 ILCS 1505/).

Article 1710. Department of Human Services (Mental Health and Developmental Disabilities) Law (20 ILCS 1710/).

Article 1905. Department of Natural Resources (Mines and Minerals) Law (20 ILCS 1905/).

Article 2005. Department of Nuclear Safety Law (20 ILCS 2005/).

Article 2105. Department of Professional Regulation Law (20 ILCS 2105/).

Article 2205. Department of Public Aid Law (20 ILCS 2205/).

Article 2310. Department of Public Health Powers and Duties Law (20 ILCS 2310/).

Article 2505. Department of Revenue Law (20 ILCS 2505/).

Article 2510. Certified Audit Program Law (20 ILCS 2510/).

Article 2605. Department of State Police Law (20 ILCS 2605/).

Article 2705. Department of Transportation Law (20 ILCS 2705/).

Article 3000. University of Illinois Exercise of Functions and Duties Law (110 ILCS 355/).

(Source: P.A. 91-239, eff. 1-1-00; 92-16, eff. 6-28-01; 92-651, eff. 7-11-02.)

(20 ILCS 5/5-15) (was 20 ILCS 5/3)

Sec. 5-15. Departments of State government. The Departments of State government are created as follows:

The Department on Aging.

The Department of Agriculture.

The Department of Central Management Services.

The Department of Children and Family Services.

The Department of Commerce and Economic Opportunity Community-Affairs.

The Department of Corrections.

The Department of Employment Security.

The Department of Financial Institutions.

The Department of Human Rights.

The Department of Human Services.

The Department of Insurance.

The Department of Labor.

The Department of the Lottery.

The Department of Natural Resources.

The Department of Nuclear Safety.

The Department of Professional Regulation.

The Department of Public Aid.

The Department of Public Health.

The Department of Revenue.

The Department of State Police.

The Department of Transportation.

The Department of Veterans' Affairs.

(Source: P.A. 91-239, eff. 1-1-00.)

(20 ILCS 5/5-20) (was 20 ILCS 5/4)

Sec. 5-20. Heads of departments. Each department shall have an officer as its head who shall be known as director or secretary and who shall, subject to the provisions of the Civil Administrative Code of Illinois, execute the powers and discharge the duties vested by law in his or her respective department.

The following officers are hereby created:

Director of Aging, for the Department on Aging.

Director of Agriculture, for the Department of Agriculture.

Director of Central Management Services, for the Department of Central Management Services.

Director of Children and Family Services, for the Department of Children and Family Services.

Director of Commerce and Economic Opportunity Community Affairs, for the Department of Commerce and Economic Opportunity Community-Affairs.

Director of Corrections, for the Department of Corrections.

Director of Employment Security, for the Department of Employment Security.

Director of Financial Institutions, for the Department of Financial Institutions.

Director of Human Rights, for the Department of Human Rights.

Secretary of Human Services, for the Department of Human Services.

Director of Insurance, for the Department of Insurance.

Director of Labor, for the Department of Labor.

Director of the Lottery, for the Department of the Lottery.

Director of Natural Resources, for the Department of Natural Resources.

Director of Nuclear Safety, for the Department of Nuclear Safety.

Director of Professional Regulation, for the Department of Professional Regulation.

Director of Public Aid, for the Department of Public Aid.

Director of Public Health, for the Department of Public Health.

Director of Revenue, for the Department of Revenue.

Director of State Police, for the Department of State Police.

Secretary of Transportation, for the Department of Transportation.

Director of Veterans' Affairs, for the Department of Veterans' Affairs.

(Source: P.A. 91-239, eff. 1-1-00.)

(20 ILCS 5/5-120) (was 20 ILCS 5/5.13g)

Sec. 5-120. In the Department of Commerce and Economic Opportunity Community-Affairs. Assistant Director of Commerce and Economic Opportunity Community-Affairs.

(Source: P.A. 91-239, eff. 1-1-00.)

Section 25-10. The Department of Commerce and Community Affairs Law of the Civil Administrative Code of Illinois is amended by changing Sections 605-1 and 605-5 and by adding Section 605-7 as follows:

(20 ILCS 605/605-1)

Sec. 605-1. Article short title. This Article 605 of the Civil Administrative Code of Illinois may be cited as the Department of Commerce and Economic Opportunity Community Affairs Law.

(Source: P.A. 91-239, eff. 1-1-00.)

(20 ILCS 605/605-5) (was 20 ILCS 605/46.1 in part)

Sec. 605-5. Definitions. As used in the Sections following this Section:

"Department" means the Department of Commerce and Economic Opportunity Community-Affairs.

"Director" means the Director of Commerce and Economic Opportunity Community-Affairs.

"Local government" means every county, municipality, township, school district, and other local political subdivision having authority to enact laws and ordinances, to administer laws and ordinances, to raise taxes, or to expend funds.

(Source: P.A. 91-239, eff. 1-1-00.)

(20 ILCS 605/605-7 new)

Sec. 605-7. Name change. On the effective date of this amendatory Act of the 93rd General Assembly, the name of the Department of Commerce and Community Affairs is changed to the Department of Commerce and Economic Opportunity. References in any law, appropriation, rule, form, or other document (i) to the Department of Commerce and Community Affairs or to DCCA are deemed, in appropriate contexts, to be references to the Department of Commerce and Economic Opportunity for all purposes and (ii) to the Director of Commerce and Community Affairs are deemed, in appropriate contexts, to be references to the Director of Commerce and Economic Opportunity for all purposes.

ARTICLE 30

Section 30-5. The Illinois Procurement Code is amended by changing Section 50-11 and adding Section 50-12 as follows:

(30 ILCS 500/50-11)

Sec. 50-11. Debt delinquency.

(a) No person shall submit a bid for or enter into a contract with a State agency under this Code if that person knows or should know that he or she or any affiliate is delinquent in the payment of any debt to the State, unless the person or affiliate has entered into a deferred payment plan to pay off the debt. For purposes of this Section, the phrase "delinquent in the payment of any debt" shall be determined by the Debt Collection Board. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), a person controls an entity if the person owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (a), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(b) Every bid submitted to and contract executed by the State shall contain a certification by the bidder or contractor that the contractor and its affiliate is not barred from being awarded a contract under this Section and

that the contractor acknowledges that the contracting State agency may declare the contract void if the certification completed pursuant to this subsection (b) is false.

(Source: P.A. 92-404, eff. 7-1-02.)

(30 ILCS 500/50-12 new)

Sec. 50-12. Collection and remittance of Illinois Use Tax.

(a) No person shall enter into a contract with a State agency under this Code unless the person and all affiliates of the person collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act regardless of whether the person or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (a), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(b) Every bid submitted and contract executed by the State shall contain a certification by the bidder or contractor that the bidder or contractor is not barred from bidding for or entering into a contract under subsection (a)

of this Section and that the bidder or contractor acknowledges that the contracting State agency may declare the contract void if the certification completed pursuant to this subsection (b) is false.

Section 30-10. The Illinois Income Tax Act is amended by changing Section 917 as follows:

(35 ILCS 5/917) (from Ch. 120, par. 9-917)

Sec. 917. Confidentiality and information sharing.

(a) Confidentiality. Except as provided in this Section, all information received by the Department from returns filed under this Act, or from any investigation conducted under the provisions of this Act, shall be confidential, except for official purposes within the Department or pursuant to official procedures for collection of any State tax or pursuant to an investigation or audit by the Illinois State Scholarship Commission of a delinquent student loan or monetary award or enforcement of any civil or criminal penalty or sanction imposed by this Act or by another statute imposing a State tax, and any person who divulges any such information in any manner, except for such purposes and pursuant to order of the Director or in accordance with a proper judicial order, shall be guilty of a Class A misdemeanor. However, the provisions of this paragraph are not applicable to information furnished to a licensed attorney representing the taxpayer where an appeal or a protest has been filed on behalf of the taxpayer.

(b) Public information. Nothing contained in this Act shall prevent the Director from publishing or making available to the public the names and addresses of persons filing returns under this Act, or from publishing or making available reasonable statistics concerning the operation of the tax wherein the contents of returns are grouped into

aggregates in such a way that the information contained in any individual return shall not be disclosed.

(c) Governmental agencies. The Director may make available to the Secretary of the Treasury of the United States or his delegate, or the proper officer or his delegate of any other state imposing a tax upon or measured by income, for exclusively official purposes, information received by the Department in the administration of this Act, but such permission shall be granted only if the United States or such other state, as the case may be, grants the Department substantially similar privileges. The Director may exchange information with the Illinois Department of Public Aid and the Department of Human Services (acting as successor to the Department of Public Aid under the Department of Human Services Act) for the purpose of verifying sources and amounts of income and for other purposes directly connected with the administration of this Act and the Illinois Public Aid Code. The Director may exchange information with the Director of the Department of Employment Security for the purpose of verifying sources and amounts of income and for other purposes directly connected with the administration of this Act and Acts administered by the Department of Employment Security. The Director may make available to the Illinois Industrial Commission information regarding employers for the purpose of verifying the insurance coverage required under the Workers' Compensation Act and Workers' Occupational Diseases Act.

The Director may make available to any State agency, including the Illinois Supreme Court, which licenses persons to engage in any occupation, information that a person licensed by such agency has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final assessment of tax, penalty or interest due under this Act. The Director may make available

to any State agency, including the Illinois Supreme Court, information regarding whether a bidder, contractor, or an affiliate of a bidder or contractor has failed to file returns under this Act or pay the tax, penalty, and interest shown therein, or has failed to pay any final assessment of tax, penalty, or interest due under this Act, for the limited purpose of enforcing bidder and contractor certifications. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (a), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

The Director may make available to any State agency, including the Illinois Supreme Court, units of local government, and school districts, information regarding whether a bidder or contractor is an affiliate of a person who is not collecting and remitting Illinois Use taxes, for the limited purpose of enforcing bidder and contractor certifications.

The Director may also make available to the Secretary of State information that a corporation which has been issued a certificate of incorporation by the Secretary of State has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final

assessment of tax, penalty or interest due under this Act. An assessment is final when all proceedings in court for review of such assessment have terminated or the time for the taking thereof has expired without such proceedings being instituted. For taxable years ending on or after December 31, 1987, the Director may make available to the Director or principal officer of any Department of the State of Illinois, information that a person employed by such Department has failed to file returns under this Act or pay the tax, penalty and interest shown therein. For purposes of this paragraph, the word "Department" shall have the same meaning as provided in Section 3 of the State Employees Group Insurance Act of 1971.

(d) The Director shall make available for public inspection in the Department's principal office and for publication, at cost, administrative decisions issued on or after January 1, 1995. These decisions are to be made available in a manner so that the following taxpayer information is not disclosed:

(1) The names, addresses, and identification numbers of the taxpayer, related entities, and employees.

(2) At the sole discretion of the Director, trade secrets or other confidential information identified as such by the taxpayer, no later than 30 days after receipt of an administrative decision, by such means as the Department shall provide by rule.

The Director shall determine the appropriate extent of the deletions allowed in paragraph (2). In the event the taxpayer does not submit deletions, the Director shall make only the deletions specified in paragraph (1).

The Director shall make available for public inspection and publication an administrative decision within 180 days after the issuance of the administrative decision. The term "administrative decision" has the same meaning as defined in

Section 3-101 of Article III of the Code of Civil Procedure.
Costs collected under this Section shall be paid into the Tax
Compliance and Administration Fund.

(e) Nothing contained in this Act shall prevent the
Director from divulging information to any person pursuant to
a request or authorization made by the taxpayer, by an
authorized representative of the taxpayer, or, in the case of
information related to a joint return, by the spouse filing
the joint return with the taxpayer.

(Source: P.A. 89-507, eff. 7-1-97; 90-491, eff. 1-1-98.)

Section 30-15. The Retailers' Occupation Tax Act is
amended by changing Section 11 as follows:

(35 ILCS 120/11) (from Ch. 120, par. 450)

Sec. 11. All information received by the Department from
returns filed under this Act, or from any investigation
conducted under this Act, shall be confidential, except for
official purposes, and any person who divulges any such
information in any manner, except in accordance with a proper
judicial order or as otherwise provided by law, shall be
guilty of a Class B misdemeanor.

Nothing in this Act prevents the Director of Revenue from
publishing or making available to the public the names and
addresses of persons filing returns under this Act, or
reasonable statistics concerning the operation of the tax by
grouping the contents of returns so the information in any
individual return is not disclosed.

Nothing in this Act prevents the Director of Revenue from
divulging to the United States Government or the government
of any other state, or any village that does not levy any
real property taxes for village operations and that receives
more than 60% of its general corporate revenue from taxes
under the Use Tax Act, the Service Use Tax Act, the Service

Occupation Tax Act, and the Retailers' Occupation Tax Act, or any officer or agency thereof, for exclusively official purposes, information received by the Department in administering this Act, provided that such other governmental agency agrees to divulge requested tax information to the Department.

The Department's furnishing of information derived from a taxpayer's return or from an investigation conducted under this Act to the surety on a taxpayer's bond that has been furnished to the Department under this Act, either to provide notice to such surety of its potential liability under the bond or, in order to support the Department's demand for payment from such surety under the bond, is an official purpose within the meaning of this Section.

The furnishing upon request of information obtained by the Department from returns filed under this Act or investigations conducted under this Act to the Illinois Liquor Control Commission for official use is deemed to be an official purpose within the meaning of this Section.

Notice to a surety of potential liability shall not be given unless the taxpayer has first been notified, not less than 10 days prior thereto, of the Department's intent to so notify the surety.

The furnishing upon request of the Auditor General, or his authorized agents, for official use, of returns filed and information related thereto under this Act is deemed to be an official purpose within the meaning of this Section.

Where an appeal or a protest has been filed on behalf of a taxpayer, the furnishing upon request of the attorney for the taxpayer of returns filed by the taxpayer and information related thereto under this Act is deemed to be an official purpose within the meaning of this Section.

The furnishing of financial information to a home rule unit that has imposed a tax similar to that imposed by this

Act pursuant to its home rule powers, or to any village that does not levy any real property taxes for village operations and that receives more than 60% of its general corporate revenue from taxes under the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act, upon request of the Chief Executive thereof, is an official purpose within the meaning of this Section, provided the home rule unit or village that does not levy any real property taxes for village operations and that receives more than 60% of its general corporate revenue from taxes under the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act agrees in writing to the requirements of this Section.

For a village that does not levy any real property taxes for village operations and that receives more than 60% of its general corporate revenue from taxes under the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act, the officers eligible to receive information from the Department of Revenue under this Section are the village manager and the chief financial officer of the village.

Information so provided shall be subject to all confidentiality provisions of this Section. The written agreement shall provide for reciprocity, limitations on access, disclosure, and procedures for requesting information.

The Department may make available to the Board of Trustees of any Metro East Mass Transit District information contained on transaction reporting returns required to be filed under Section 3 of this Act that report sales made within the boundary of the taxing authority of that Metro East Mass Transit District, as provided in Section 5.01 of the Local Mass Transit District Act. The disclosure shall be

made pursuant to a written agreement between the Department and the Board of Trustees of a Metro East Mass Transit District, which is an official purpose within the meaning of this Section. The written agreement between the Department and the Board of Trustees of a Metro East Mass Transit District shall provide for reciprocity, limitations on access, disclosure, and procedures for requesting information. Information so provided shall be subject to all confidentiality provisions of this Section.

The Director may make available to any State agency, including the Illinois Supreme Court, which licenses persons to engage in any occupation, information that a person licensed by such agency has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final assessment of tax, penalty or interest due under this Act. The Director may make available to any State agency, including the Illinois Supreme Court, information regarding whether a bidder, contractor, or an affiliate of a bidder or contractor has failed to collect and remit Illinois Use tax on sales into Illinois, or any tax under this Act or pay the tax, penalty, and interest shown therein, or has failed to pay any final assessment of tax, penalty, or interest due under this Act, for the limited purpose of enforcing bidder and contractor certifications. The Director may make available to units of local government and school districts that require bidder and contractor certifications, as set forth in Sections 50-11 and 50-12 of the Illinois Procurement Code, information regarding whether a bidder, contractor, or an affiliate of a bidder or contractor has failed to collect and remit Illinois Use tax on sales into Illinois, file returns under this Act, or pay the tax, penalty, and interest shown therein, or has failed to pay any final assessment of tax, penalty, or interest due under this Act, for the limited purpose of enforcing bidder

and contractor certifications. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this Section, an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this Section, the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

The Director may make available to any State agency, including the Illinois Supreme Court, units of local government, and school districts, information regarding whether a bidder or contractor is an affiliate of a person who is not collecting and remitting Illinois Use taxes for the limited purpose of enforcing bidder and contractor certifications.

The Director may also make available to the Secretary of State information that a limited liability company, which has filed articles of organization with the Secretary of State, or corporation which has been issued a certificate of incorporation by the Secretary of State has failed to file returns under this Act or pay the tax, penalty and interest shown therein, or has failed to pay any final assessment of tax, penalty or interest due under this Act. An assessment is final when all proceedings in court for review of such assessment have terminated or the time for the taking thereof has expired without such proceedings being instituted.

The Director shall make available for public inspection

in the Department's principal office and for publication, at cost, administrative decisions issued on or after January 1, 1995. These decisions are to be made available in a manner so that the following taxpayer information is not disclosed:

(1) The names, addresses, and identification numbers of the taxpayer, related entities, and employees.

(2) At the sole discretion of the Director, trade secrets or other confidential information identified as such by the taxpayer, no later than 30 days after receipt of an administrative decision, by such means as the Department shall provide by rule.

The Director shall determine the appropriate extent of the deletions allowed in paragraph (2). In the event the taxpayer does not submit deletions, the Director shall make only the deletions specified in paragraph (1).

The Director shall make available for public inspection and publication an administrative decision within 180 days after the issuance of the administrative decision. The term "administrative decision" has the same meaning as defined in Section 3-101 of Article III of the Code of Civil Procedure. Costs collected under this Section shall be paid into the Tax Compliance and Administration Fund.

Nothing contained in this Act shall prevent the Director from divulging information to any person pursuant to a request or authorization made by the taxpayer or by an authorized representative of the taxpayer.

(Source: P.A. 90-491, eff. 1-1-98; 91-954, eff. 1-1-02.)

Section 30-20. The Counties Code is amended by changing Section 5-1022 as follows:

(55 ILCS 5/5-1022) (from Ch. 34, par. 5-1022)

Sec. 5-1022. Competitive bids.

(a) Any purchase by a county with fewer than 2,000,000

inhabitants of services, materials, equipment or supplies in excess of \$10,000, other than professional services, shall be contracted for in one of the following ways:

(1) by a contract let to the lowest responsible bidder after advertising for bids in a newspaper published within the county or, if no newspaper is published within the county, then a newspaper having general circulation within the county; or

(2) by a contract let without advertising for bids in the case of an emergency if authorized by the county board.

(b) In determining the lowest responsible bidder, the county board shall take into consideration the qualities of the articles supplied; their conformity with the specifications; their suitability to the requirements of the county, availability of support services; uniqueness of the service, materials, equipment, or supplies as it applies to networked, integrated computer systems; compatibility to existing equipment; and the delivery terms. The county board also may take into consideration whether a bidder is a private enterprise or a State-controlled enterprise and, notwithstanding any other provision of this Section or a lower bid by a State-controlled enterprise, may let a contract to the lowest responsible bidder that is a private enterprise.

(c) This Section does not apply to contracts by a county with the federal government or to purchases of used equipment, purchases at auction or similar transactions which by their very nature are not suitable to competitive bids, pursuant to an ordinance adopted by the county board.

(d) Notwithstanding the provisions of this Section, a county may let without advertising for bids in the case of purchases and contracts, when individual orders do not exceed \$25,000, for the use, purchase, delivery, movement, or

installation of data processing equipment, software, or services and telecommunications and inter-connect equipment, software, and services.

(e) A county may require, as a condition of any contract for goods and services, that persons awarded a contract with the county and all affiliates of the person collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act regardless of whether the person or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For purposes of this subsection (e), the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (e), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (e), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(f) Bids submitted to, and contracts executed by, the county may require a certification by the bidder or contractor that the bidder or contractor is not barred from bidding for or entering into a contract under this Section and that the bidder or contractor acknowledges that the county may declare the contract void if the certification completed pursuant to this subsection (f) is false.

(Source: P.A. 90-517, eff. 8-22-97.)

Section 30-25. The Illinois Municipal Code is amended by changing Sections 8-9-2 and 8-10-3 as follows:

(65 ILCS 5/8-9-2) (from Ch. 24, par. 8-9-2)

Sec. 8-9-2. (a) In municipalities of less than 500,000 population, the corporate authorities may provide by ordinance that all supplies needed for use of the municipality shall be furnished by contract, let to the lowest bidder.

In municipalities of more than 500,000 population the provisions of Division 10 of this Article 8 shall apply to and govern the purchase of supplies.

The provisions of this Section are subject to any contrary provisions contained in "An Act concerning the use of Illinois mined coal in certain plants and institutions", filed July 13, 1937, as heretofore and hereafter amended.

(b) The corporate authorities of a municipality may by ordinance provide that contracts to provide goods and services to the municipality contain a provision requiring the contractor and its affiliates to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act, and municipal use tax on all sales of tangible personal property into the municipality in accordance with a municipal ordinance authorized by Section 8-11-6 or 8-11-1.5, during the term of the contract or for some other specified period, regardless of whether the contractor or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. The provision may state that if the requirement is not met, the contract may be terminated by the municipality, and the contractor may be subject to such other penalties or the exercise of such remedies as may be stated in the contract or the ordinance adopted under this Section.

An ordinance adopted under this Section may contain exceptions for emergencies or other circumstances when the exception is in the best interest of the public. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (b), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (b), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(Source: Laws 1967, p. 3729.)

(65 ILCS 5/8-10-3) (from Ch. 24, par. 8-10-3)

Sec. 8-10-3. (a) Except as otherwise herein provided, all purchase orders or contracts of whatever nature, for labor, services or work, the purchase, lease, or sale of personal property, materials, equipment or supplies, involving amounts in excess of \$10,000, made by or on behalf of any such municipality, shall be let by free and open competitive bidding after advertisement, to the lowest responsible bidder, or in the appropriate instance, to the highest responsible bidder, depending upon whether such municipality is to expend or to receive money. All such purchase orders or contracts, as defined above, which shall involve amounts of \$10,000, or less, shall be let in the manner described above whenever practicable, except that such purchase orders or contracts may be let in the open market in

a manner calculated to insure the best interests of the public, after solicitation of bids by mail, telephone, or otherwise. The provisions of this Section are subject to any contrary provision contained in "An Act concerning the use of Illinois mined coal in certain plants and institutions", filed July 13, 1937, as heretofore and hereafter amended.

(b) The corporate authorities of a municipality may by ordinance provide that contracts to provide goods and services to the municipality contain a provision requiring the contractor and its affiliates to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act, and municipal use tax on all sales of tangible personal property into the municipality in accordance with a municipal ordinance authorized by Section 8-11-6 or 8-11-1.5, during the term of the contract or for some other specified period, regardless of whether the contractor or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. The provision may state that if the requirement is not met, the contract may be terminated by the municipality, and the contractor may be subject to such other penalties or the exercise of such remedies as may be stated in the contract or the ordinance adopted under this Section. An ordinance adopted under this Section may contain exceptions for emergencies or other circumstances when the exception is in the best interest of the public. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (b), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of

that entity. As used in this subsection (b), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(Source: P.A. 81-1376.)

Section 30-30. The School Code is amended by changing Section 10-20.21 as follows:

(105 ILCS 5/10-20.21) (from Ch. 122, par. 10-20.21)

Sec. 10-20.21. Contracts.

(a) To award all contracts for purchase of supplies, materials or work or contracts with private carriers for transportation of pupils involving an expenditure in excess of \$10,000 to the lowest responsible bidder, considering conformity with specifications, terms of delivery, quality and serviceability, after due advertisement, except the following: (i) contracts for the services of individuals possessing a high degree of professional skill where the ability or fitness of the individual plays an important part; (ii) contracts for the printing of finance committee reports and departmental reports; (iii) contracts for the printing or engraving of bonds, tax warrants and other evidences of indebtedness; (iv) contracts for the purchase of perishable foods and perishable beverages; (v) contracts for materials and work which have been awarded to the lowest responsible bidder after due advertisement, but due to unforeseen revisions, not the fault of the contractor for materials and work, must be revised causing expenditures not in excess of 10% of the contract price; (vi) contracts for the maintenance or servicing of, or provision of repair parts for, equipment

which are made with the manufacturer or authorized service agent of that equipment where the provision of parts, maintenance, or servicing can best be performed by the manufacturer or authorized service agent; (vii) purchases and contracts for the use, purchase, delivery, movement, or installation of data processing equipment, software, or services and telecommunications and interconnect equipment, software, and services; (viii) contracts for duplicating machines and supplies; (ix) contracts for the purchase of natural gas when the cost is less than that offered by a public utility; (x) purchases of equipment previously owned by some entity other than the district itself; (xi) contracts for repair, maintenance, remodeling, renovation, or construction, or a single project involving an expenditure not to exceed \$20,000 and not involving a change or increase in the size, type, or extent of an existing facility; (xii) contracts for goods or services procured from another governmental agency; (xiii) contracts for goods or services which are economically procurable from only one source, such as for the purchase of magazines, books, periodicals, pamphlets and reports, and for utility services such as water, light, heat, telephone or telegraph; and (xiv) where funds are expended in an emergency and such emergency expenditure is approved by 3/4 of the members of the board. All competitive bids for contracts involving an expenditure in excess of \$10,000 must be sealed by the bidder and must be opened by a member or employee of the school board at a public bid opening at which the contents of the bids must be announced. Each bidder must receive at least 3 days' notice of the time and place of the bid opening. For purposes of this Section due advertisement includes, but is not limited to, at least one public notice at least 10 days before the bid date in a newspaper published in the district, or if no newspaper is published in the district, in a newspaper of

general circulation in the area of the district.

(b) To require, as a condition of any contract for goods and services, that persons bidding for and awarded a contract and all affiliates of the person collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act regardless of whether the person or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (b), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (b), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

To require that bids and contracts include a certification by the bidder or contractor that the bidder or contractor is not barred from bidding for or entering into a contract under this Section and that the bidder or contractor acknowledges that the school board may declare the contract void if the certification completed pursuant to this subsection (b) is false.

(Source: P.A. 86-411; 87-414.)

Section 50-3. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by adding Section 405-292 as follows:

(20 ILCS 405/405-292 new)

Sec. 405-292. Business processing reengineering; planning for a more efficient government.

(a) The Department shall be responsible for recommending to the Governor efficiency initiatives to reorganize, restructure, and reengineer the business processes of the State. In performing this responsibility the Department shall have the power and duty to do the following:

(1) Propose the transfer, consolidation, reorganization, restructuring, reengineering, or elimination of programs, processes, or functions in order to attain efficiency in operations and cost savings through the efficiency initiatives.

(2) Control the procurement of contracted services in connection with the efficiency initiatives to assist in the analysis, design, planning, and implementation of proposals approved by the Governor to attain efficiency in operations and cost savings; and

(3) Establish the amount of cost savings to be realized by State agencies from implementing the efficiency initiatives, which shall be paid to the Department for deposit into the Efficiency Initiatives Revolving Fund.

(b) For the purposes of this Section, "State agencies" means all departments, boards, commissions, and agencies of the State of Illinois subject to the Governor.

Section 50-5. The Department of Commerce and Community Affairs Law of the Civil Administrative Code of Illinois is amended by changing Section 605-705 and by adding Section

605-807 as follows:

(20 ILCS 605/605-705) (was 20 ILCS 605/46.6a)

Sec. 605-705. Grants to local tourism and convention bureaus.

(a) To establish a grant program for local tourism and convention bureaus. The Department will develop and implement a program for the use of funds, as authorized under this Act, by local tourism and convention bureaus. For the purposes of this Act, bureaus eligible to receive funds are those local tourism and convention bureaus that are (i) either units of local government or incorporated as not-for-profit organizations; (ii) in legal existence for a minimum of 2 years before July 1, 2001; (iii) operating with a paid, full-time staff whose sole purpose is to promote tourism in the designated service area; and (iv) affiliated with one or more municipalities or counties that support the bureau with local hotel-motel taxes. After July 1, 2001, bureaus requesting certification in order to receive funds for the first time must be local tourism and convention bureaus that are (i) either units of local government or incorporated as not-for-profit organizations; (ii) in legal existence for a minimum of 2 years before the request for certification; (iii) operating with a paid, full-time staff whose sole purpose is to promote tourism in the designated service area; and (iv) affiliated with multiple municipalities or counties that support the bureau with local hotel-motel taxes. Each bureau receiving funds under this Act will be certified by the Department as the designated recipient to serve an area of the State. Notwithstanding the criteria set forth in this subsection (a), or any rule adopted under this subsection (a), the Director of the Department may provide for the award of grant funds to one or more entities if in the Department's judgment that action is

necessary in order to prevent a loss of funding critical to promoting tourism in a designated geographic area of the State.

(b) To distribute grants to local tourism and convention bureaus from appropriations made from the Local Tourism Fund for that purpose. Of the amounts appropriated annually to the Department for expenditure under this Section, one-third of those monies shall be used for grants to convention and tourism bureaus in cities with a population greater than 500,000. The remaining two-thirds of the annual appropriation shall be used for grants to convention and tourism bureaus in the remainder of the State, in accordance with a formula based upon the population served. The Department may reserve up to 10% of the total local tourism funds available for costs of administering the program appropriated to conduct audits of grants, to provide incentive funds to those bureaus that will conduct promotional activities designed to further the Department's statewide advertising campaign, to fund special statewide promotional activities, and to fund promotional activities that support an increased use of the State's parks or historic sites.

(Source: P.A. 91-239, eff. 1-1-00; 91-357, eff. 7-29-99; 92-16, eff. 6-28-01; 92-38, eff. 6-28-01; 92-524, eff. 2-8-02.)

(20 ILCS 605/605-807 new)

Sec. 605-807. Federal Workforce Training Fund.

(a) The Federal Workforce Training Fund is created as a special fund in the State treasury. The Department may accept gifts, grants, awards, matching contributions, interest income, appropriations, and cost sharings from individuals, businesses, governments, and other third party sources, on terms that the Director deems advisable. Moneys received

under this Section may be expended for purposes consistent with the conditions under which those moneys are received, subject to appropriations made by the General Assembly for those purposes.

(b) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, all moneys received by the State pursuant to the federal Workforce Investment Act or Section 403(a)(5) of the federal Social Security Act shall be deposited into the Federal Workforce Training Fund, to be used for purposes consistent with the conditions under which those moneys are received by the State, except that any moneys received pursuant to the federal Workforce Investment Act and necessary to pay liabilities incurred in connection with that Act and outstanding as of June 30, 2003, or any moneys received pursuant to Section 403(a)(5) of the federal Social Security Act and necessary to pay liabilities incurred in connection with that Act and outstanding as of June 30, 2003, shall be deposited into the Title III Social Security and Employment Fund.

On September 1, 2003, or as soon thereafter as may be reasonably practical, the State Comptroller shall transfer all unobligated moneys received by the State pursuant to the federal Workforce Investment Act or Section 403(a)(5) of the federal Social Security Act from the Title III Social Security and Employment Fund to the Federal Workforce Training Fund. The moneys transferred pursuant to this Amendatory Act of the 93rd General Assembly may be used or expended for purposes consistent with the conditions under which those moneys were received by the State.

(c) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, all moneys received by the State pursuant to the federal Illinois Trade Adjustment Assistance Program shall be deposited into the Federal Workforce Training Fund, to be used for purposes consistent

with the conditions under which those moneys are received by the State, except that any moneys received pursuant to the federal Illinois Trade Adjustment Assistance Program and necessary to pay liabilities incurred in connection with that program and outstanding as of June 30, 2003, shall be deposited into the Title III Social Security and Employment Fund.

On July 1, 2003 or as soon thereafter as may be reasonably practical, the State Comptroller shall make one or more transfers of all moneys received by the State pursuant to the federal Illinois Trade Adjustment Assistance Program in excess of those necessary to pay liabilities in connection with that program and outstanding as of June 30, 2003 from the Title III Social Security and Employment Fund to the Federal Workforce Training Fund. The moneys transferred pursuant to this amendatory Act of the 93rd General Assembly may be used or expended for purposes consistent with the conditions under which those moneys were received by the State.

Section 50-7. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-400 as follows:

(20 ILCS 2505/2505-400) (was 20 ILCS 2505/39b49)

Sec. 2505-400. Contracts for collection assistance.

(a) The Department has the power to contract for collection assistance on a contingent fee basis, with collection fees to be retained by the collection agency and the net collections to be paid to the Department. In the case of any liability referred to a collection agency on or after July 1, 2003, any fee charged to the State by the collection agency shall be considered additional State tax of the taxpayer imposed under the Act under which the tax being

collected was imposed, shall be deemed assessed at the time payment of the tax is made to the collection agency, and shall be separately stated in any statement or notice of the liability issued by the collection agency to the taxpayer.

(b) The Department has the power to enter into written agreements with State's Attorneys for pursuit of civil liability under Section 17-1a of the Criminal Code of 1961 against persons who have issued to the Department checks or other orders in violation of the provisions of paragraph (d) of subsection (B) of Section 17-1 of the Criminal Code of 1961. Of the amount collected, the Department shall retain the amount owing upon the dishonored check or order along with the dishonored check fee imposed under the Uniform Penalty and Interest Act. The balance of damages, fees, and costs collected under Section 17-1a of the Criminal Code of 1961 shall be retained by the State's Attorney. The agreement shall not affect the allocation of fines and costs imposed in any criminal prosecution.

(c) The Department may issue the Secretary of the Treasury of the United States (or his or her delegate) notice, as required by Section 6402(e) of the Internal Revenue Code, of any past due, legally enforceable State income tax obligation of a taxpayer. The Department must notify the taxpayer that any fee charged to the State by the Secretary of the Treasury of the United States (or his or her delegate) under Internal Revenue Code Section 6402(e) is considered additional State income tax of the taxpayer with respect to whom the Department issued the notice, and is deemed assessed upon issuance by the Department of notice to the Secretary of the Treasury of the United States (or his or her delegate) under Section 6402(e) of the Internal Revenue Code; a notice of additional State income tax is not considered a notice of deficiency, and the taxpayer has no right of protest.

(Source: P.A. 91-239, eff. 1-1-00; 92-492, eff. 1-1-02.)

Section 50-8. The Bureau of the Budget Act is amended by changing the Act title and Sections 0.01, 1, 2, 2.5, 2.7, 3, 4, 5.1, 6, 6.01, 7, and 9 and by adding Section 9.5 as follows:

(20 ILCS 3005/Act title)

An Act to create the Governor's Office of Management and a-Bureau-ef-the Bureau of the Budget and to define its powers and duties ~~and-to-make-an-appropriation.~~

(20 ILCS 3005/0.01) (from Ch. 127, par. 410)

Sec. 0.01. Short title. This Act may be cited as the Governor's Office of Management and Bureau-ef-the Bureau of the Budget Act.
(Source: P.A. 86-1324.)

(20 ILCS 3005/1) (from Ch. 127, par. 411)

Sec. 1. Definitions. "~~Bureau~~"-means--~~the--Bureau--ef--the~~ Bureau of the Budget.

"Capital expenditure" means money spent for replacing, remodeling, expanding, or acquiring facilities, buildings or land owned directly by the State through any State department, authority, public corporation of the State, State college or university, or any other public agency created by the State, but not units of local government or school districts.

"Director" means the Director of the Governor's Office of Management and Bureau-ef-the Bureau of the Budget.

"Office" means the Governor's Office of Management and Budget.

"State Agency," whether used in the singular or plural, means all Departments, Officers, Commissions, Boards, Institutions and bodies, politic and corporate of the State,

including the Offices of Clerk of the Supreme Court and Clerks of the Appellate Courts; except it shall not mean the several Courts of the State, nor the Legislature, its Committees or Commissions, nor the Constitutionally elected State Officers.

(Source: P.A. 81-1094.)

(20 ILCS 3005/2) (from Ch. 127, par. 412)

Sec. 2. There is created in the executive office of the Governor an Office a-Bureau to be known as the Governor's Office of Management and Bureau-of-the Budget. The Office Bureau shall be headed by a Director, who shall be appointed by the Governor. The functions of the Office Bureau shall be as prescribed in Sections 2.1 through 2.7 of this Act.

(Source: P.A. 89-460, eff. 5-24-96.)

(20 ILCS 3005/2.5) (from Ch. 127, par. 412.5)

Sec. 2.5. Effective January 1, 1980, to require the preparation and submission of an annual long-range capital expenditure plan for all State agencies. Such Capital Plan shall detail each project for each of the following 3 fiscal years, including the project cost in current dollar amounts, the future maintenance costs for the completed project, the anticipated life expectancy of the project and the impact the project will have on the annual operating budget for the agency. Each State agency's annual capital plan shall include energy conservation projects intended to reduce energy costs to the greatest extent possible in those agency's buildings and facilities included in the capital plan. Each State agency's annual capital plan shall be submitted to the Office Bureau no later than January 15th of each year. A summary of all capital plans and future needs assessments shall be included in the Governor's Budget Request and the detail of the capital plans shall be

delivered to the Chairmen and Minority Spokesmen of the House and Senate Appropriations Committees and the Illinois Economic and Fiscal Commission on the date of the Governor's Budget Address to the General Assembly.

(Source: P.A. 87-852.)

(20 ILCS 3005/2.7)

Sec. 2.7. Securities information. To assist those entities underwriting securities that are payable from State appropriations, whether issued by the State or by others, by providing financial and other information regarding the State to securities investors, nationally recognized securities information repositories, or the federal Municipal Securities Rulemaking Board, and to any State information depository as required by the federal Securities and Exchange Act of 1934 and the rules promulgated thereunder. The Governor's Office of Management and Bureau-of-the Budget is the only State office authorized to provide such information.

(Source: P.A. 89-460, eff. 5-24-96.)

(20 ILCS 3005/3) (from Ch. 127, par. 413)

Sec. 3. The Director, under such rules and regulations as the Governor may prescribe, may organize the Office Bureau, allocate functions and duties within it, and appoint employees, in such a manner as best enables it to achieve its purposes and fulfill its responsibilities. He is authorized to make expenditures for necessary expenses of the Office Bureau within the appropriations made therefor.

(Source: P. A. 76-23.)

(20 ILCS 3005/4) (from Ch. 127, par. 414)

Sec. 4. Under such regulations as the Governor may prescribe, (1) every State agency shall furnish to the Office Bureau such information as the Office Bureau may from time to

time require, and (2) the Director or any duly authorized employee of the Office Bureau shall for the purpose of securing such information, have access to, and the right to examine, all books, documents, papers or records of any State agency.

(Source: P. A. 76-23.)

(20 ILCS 3005/5.1) (from Ch. 127, par. 415)

Sec. 5.1. Under such regulations as the Governor may prescribe, every State agency, other than State colleges and universities, agencies of legislative and judicial branches of State government, and elected State executive officers not including the Governor, shall file with the Illinois Commission on Intergovernmental Cooperation all applications for federal grants, contracts and agreements. The Commission on Intergovernmental Cooperation shall immediately forward all such materials to the Office Bureau for the Office's Bureau's approval. Any application for federal funds which has not received Office Bureau approval shall be considered void and any funds received as a result of such application shall be returned to the federal government before they are spent. Each State agency subject to this Section shall, at least 45 days before submitting its application to the federal agency, report in detail to the Commission on Intergovernmental Cooperation what the grant is intended to accomplish and the specific plans for spending the federal dollars received pursuant to the grant. The Commission on Intergovernmental Cooperation shall immediately forward such materials to the Office Bureau. The Office Bureau may approve the submission of an application to the federal agency in less than 45 days after its receipt by the Office Bureau when the Office Bureau determines that the circumstances require an expedited application. Such reports of applications and plans of expenditure shall include but shall not be limited

to:

(1) an estimate of both the direct and indirect costs in non-federal revenues of participation in the federal program;

(2) the probable length of duration of the program, a schedule of fund receipts and an estimate of the cost to the State of maintaining the program if and when the federal financial assistance or grant is terminated;

(3) a list of State or local agencies utilizing the financial assistance as direct recipients or subgrantees;

(4) a description of each program proposed to be funded by the financial assistance or grant; and

(5) a description of any financial, program or planning commitment on the part of the State required by the federal government as a requirement for receipt of the financial assistance or grant.

All State agencies subject to this Section shall immediately file with the Illinois Commission on Intergovernmental Cooperation, any awards of federal funds and any and all changes in the programs, in awards, in program duration, in schedule of fund receipts, and in estimated costs to the State of maintaining the program if and when federal assistance is terminated, or in direct and indirect costs, of any grant under which they are or expect to be receiving federal funds. The Commission on Intergovernmental Cooperation shall immediately forward such materials to the Office Bureau.

The Office Bureau in cooperation with the Commission on Intergovernmental Cooperation shall develop standard forms and a system of identifying numbers for the applications and reports required by this Section. Upon receipt from the State agencies of each application and report, the Commission shall promptly designate the appropriate identifying number therefor and communicate such number to the respective State agency, the Comptroller and the Office Bureau.

Each State agency subject to this Section shall include in each report to the Comptroller of the receipt of federal funds the identifying number applicable to the grant under which such funds are received.

(Source: P.A. 87-961.)

(20 ILCS 3005/6) (from Ch. 127, par. 416)

Sec. 6. In performing its responsibility under Section 2.1, to assist the Governor in submitting a recommended budget, the Office Bureau shall:

(a) Distribute to all state agencies the proper blanks necessary to the preparation of budget estimates, which blanks shall be in such form as shall be prescribed by the Director, to procure, among other things, information as to the revenues and expenditures for the preceding fiscal year, the appropriations made by the General Assembly for the preceding fiscal year, the expenditures therefrom, obligations incurred thereon, and the amounts unobligated and unexpended, an estimate of the revenues and expenditures of the current fiscal year, and an estimate of the revenues and amounts needed for the respective departments and offices for the next succeeding fiscal year.

(b) Require from each state agency its estimate of receipts and expenditures for the succeeding fiscal year, accompanied by a statement in writing giving facts and explanation of reasons for each item of expenditure requested.

(c) Make, at the discretion of the Director, further inquiries and investigations as to any item desired.

(d) Approve, disapprove or alter the estimates.

(Source: P. A. 76-2411.)

(20 ILCS 3005/6.01) (from Ch. 127, par. 416.01)

Sec. 6.01. The several courts of the State, the General

Assembly, its committees and commissions, and the elective officers in the Executive department shall file with the Office Bureau information which will enable the Governor to present to the General Assembly estimates of the amount of money required to be raised by taxation for all purposes. They shall submit to the Office Bureau, on forms prescribed by the Office Bureau, information as to the revenues and expenditures for the preceding fiscal year, the appropriations made by the General Assembly for the preceding fiscal year, the expenditures therefrom, obligations incurred thereon, and the amounts unobligated and unexpended, an estimate of the revenues and expenditures of the current fiscal year, and an estimate of the revenues and amounts needed for the respective departments and offices for the next succeeding fiscal year.

(Source: P. A. 76-2411.)

(20 ILCS 3005/7) (from Ch. 127, par. 417)

Sec. 7. All statements and estimates of expenditures submitted to the Office Bureau in connection with the preparation of a State budget, and any other estimates of expenditures, supporting requests for appropriations, shall be formulated according to the various functions and activities for which the respective department, office or institution of the State government (including the elective officers in the executive department and including the University of Illinois and the judicial department) is responsible. All such statements and estimates of expenditures relating to a particular function or activity shall be further formulated or subject to analysis in accordance with the following classification of objects:

- (1) Personal services
- (2) State contribution for employee group insurance
- (3) Contractual services

- (4) Travel
- (5) Commodities
- (6) Equipment
- (7) Permanent improvements
- (8) Land
- (9) Electronic Data Processing
- (10) Telecommunication services
- (11) Operation of Automotive Equipment
- (12) Contingencies
- (13) Reserve
- (14) Interest
- (15) Awards and Grants
- (16) Debt Retirement
- (17) Non-cost Charges

(Source: P.A. 83-1303.)

(20 ILCS 3005/9) (from Ch. 127, par. 419)

Sec. 9. All statements and estimates of expenditures submitted to the Director of the Office Bureau in connection with the preparation of a State budget, and any other estimates of expenditures supporting requests for appropriations, shall be accompanied by comparative performance data formulated according to the various functions and activities, and, whenever the nature of the work admits, according to the work units, for which the respective state agency is responsible. All such statements and estimates of expenditures shall be accompanied, in addition, by a tabulation of all position and employment titles in such department, office or institution, the number of each, and the salaries for each, formulated according to divisions, bureaus, sections, offices, departments, boards, and similar subdivisions, which shall correspond as nearly as practicable to the functions and activities for which the department, office or institution is responsible.

(Source: P. A. 76-2411.)

(20 ILCS 3005/9.5 new)

Sec. 9.5. Name change. On the effective date of this amendatory Act of the 93rd General Assembly, the name of the Bureau of the Budget is changed to the Governor's Office of Management and Budget. References in any law, appropriation, rule, form, or other document (i) to the Bureau of the Budget or to BOB are deemed, in appropriate contexts, to be references to the Governor's Office of Management and Budget for all purposes and (ii) to the Director of the Bureau of the Budget are deemed, in appropriate contexts, to be references to the Director of the Governor's Office of Management and Budget for all purposes.

Section 50-9. The Arts Council Act is amended by changing Sections 1 and 6 as follows:

(20 ILCS 3915/1) (from Ch. 127, par. 214.11)

Sec. 1. Council created. There is created the Illinois Arts Council, an agency of the State of Illinois.

The Illinois Arts Council shall be composed of not less than 13 nor more than 35 members to be appointed by the Governor, one of whom shall be a senior citizen age 60 or over. In making initial appointments, the Governor shall designate approximately one-half of the members to serve for 2 years, and the balance of the members to serve for 4 years, each term of office to commence July 1, 1965. The senior citizen member first appointed under this amendatory Act of 1984 shall serve for a term of 4 years commencing July 1, 1985. Thereafter all appointments shall be made for a 4 year term. The Governor shall designate the Chairman of the Council from among the members thereof.

(Source: P.A. 83-1538.)

(20 ILCS 3915/6) (from Ch. 127, par. 214.16)

Sec. 6. Employees; operational services.

(a) The Council may employ an executive director, a secretary and such clerical, technical and other employees and assistants as it considers necessary for the proper transaction of its business.

(b) The Department of Central Management Services shall provide to the Illinois Arts Council the same type and level of services as it provides to other State agencies, including but not limited to office space, communications, facilities management, and any other operational services that the Department provides to other State offices and agencies, as necessary to fulfill the Council's statutory mandate.

(Source: Laws 1965, p. 1965.)

Section 50-10. The State Finance Act is amended by changing Section 8.3 and by adding Sections 5.596, 6p-5, 8.16c, and 8j as follows:

(30 ILCS 105/5.596 new)

Sec. 5.596. The Efficiency Initiatives Revolving Fund.

(30 ILCS 105/6p-5 new)

Sec. 6p-5. Efficiency Initiatives Revolving Fund.

Amounts designated by the Director of Central Management Services and approved by the Governor as savings from the efficiency initiatives authorized by Section 405-292 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois shall be paid into the Efficiency Initiatives Revolving Fund. State agencies shall pay these amounts into the Efficiency Initiatives Revolving Fund from the line item appropriations where the cost savings are anticipated to occur. The money in this fund shall be

used by the Department for expenses incurred in connection with the efficiency initiatives authorized by Section 405-292 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois. On or before August 31, 2004, and each August 31 thereafter, the Department of Central Management Services shall transfer excess balances in the Efficiency Initiatives Revolving Fund to the General Revenue Fund. As used in this Section, "excess balances" means amounts in excess of the amount necessary to fund current and anticipated efficiency initiatives.

(30 ILCS 105/8.3) (from Ch. 127, par. 144.3)

Sec. 8.3. Money in the Road Fund shall, if and when the State of Illinois incurs any bonded indebtedness for the construction of permanent highways, be set aside and used for the purpose of paying and discharging annually the principal and interest on that bonded indebtedness then due and payable, and for no other purpose. The surplus, if any, in the Road Fund after the payment of principal and interest on that bonded indebtedness then annually due shall be used as follows:

first -- to pay the cost of administration of Chapters 2 through 10 of the Illinois Vehicle Code, except the cost of administration of Articles I and II of Chapter 3 of that Code; and

secondly -- for expenses of the Department of Transportation for construction, reconstruction, improvement, repair, maintenance, operation, and administration of highways in accordance with the provisions of laws relating thereto, or for any purpose related or incident to and connected therewith, including the separation of grades of those highways with railroads and with highways and including the payment of awards made by the Industrial Commission under the terms of the

Workers' Compensation Act or Workers' Occupational Diseases Act for injury or death of an employee of the Division of Highways in the Department of Transportation; or for the acquisition of land and the erection of buildings for highway purposes, including the acquisition of highway right-of-way or for investigations to determine the reasonably anticipated future highway needs; or for making of surveys, plans, specifications and estimates for and in the construction and maintenance of flight strips and of highways necessary to provide access to military and naval reservations, to defense industries and defense-industry sites, and to the sources of raw materials and for replacing existing highways and highway connections shut off from general public use at military and naval reservations and defense-industry sites, or for the purchase of right-of-way, except that the State shall be reimbursed in full for any expense incurred in building the flight strips; or for the operating and maintaining of highway garages; or for patrolling and policing the public highways and conserving the peace; or for any of those purposes or any other purpose that may be provided by law.

Appropriations for any of those purposes are payable from the Road Fund. Appropriations may also be made from the Road Fund for the administrative expenses of any State agency that are related to motor vehicles or arise from the use of motor vehicles.

Beginning with fiscal year 1980 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement;

1. Department of Public Health;

2. Department of Transportation, only with respect to subsidies for one-half fare Student Transportation and Reduced Fare for Elderly;

3. Department of Central Management Services, except for expenditures incurred for group insurance premiums of appropriate personnel;

4. Judicial Systems and Agencies.

Beginning with fiscal year 1981 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement:

1. Department of State Police, except for expenditures with respect to the Division of Operations;

2. Department of Transportation, only with respect to Intercity Rail Subsidies and Rail Freight Services.

Beginning with fiscal year 1982 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement: Department of Central Management Services, except for awards made by the Industrial Commission under the terms of the Workers' Compensation Act or Workers' Occupational Diseases Act for injury or death of an employee of the Division of Highways in the Department of Transportation.

Beginning with fiscal year 1984 and thereafter, no Road Fund monies shall be appropriated to the following Departments or agencies of State government for administration, grants, or operations; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement:

1. Department of State Police, except not more than 40% of the funds appropriated for the Division of Operations;

2. State Officers.

Beginning with fiscal year 1984 and thereafter, no Road Fund monies shall be appropriated to any Department or agency of State government for administration, grants, or operations except as provided hereafter; but this limitation is not a restriction upon appropriating for those purposes any Road Fund monies that are eligible for federal reimbursement. It shall not be lawful to circumvent the above appropriation limitations by governmental reorganization or other methods. Appropriations shall be made from the Road Fund only in accordance with the provisions of this Section.

Money in the Road Fund shall, if and when the State of Illinois incurs any bonded indebtedness for the construction of permanent highways, be set aside and used for the purpose of paying and discharging during each fiscal year the principal and interest on that bonded indebtedness as it becomes due and payable as provided in the Transportation Bond Act, and for no other purpose. The surplus, if any, in the Road Fund after the payment of principal and interest on that bonded indebtedness then annually due shall be used as follows:

first -- to pay the cost of administration of Chapters 2 through 10 of the Illinois Vehicle Code; and

secondly -- no Road Fund monies derived from fees, excises, or license taxes relating to registration, operation and use of vehicles on public highways or to fuels used for the propulsion of those vehicles, shall be appropriated or expended other than for costs of administering the laws imposing those fees, excises, and license taxes, statutory refunds and adjustments allowed thereunder, administrative costs of the Department of

Transportation, payment of debts and liabilities incurred in construction and reconstruction of public highways and bridges, acquisition of rights-of-way for and the cost of construction, reconstruction, maintenance, repair, and operation of public highways and bridges under the direction and supervision of the State, political subdivision, or municipality collecting those monies, and the costs for patrolling and policing the public highways (by State, political subdivision, or municipality collecting that money) for enforcement of traffic laws. The separation of grades of such highways with railroads and costs associated with protection of at-grade highway and railroad crossing shall also be permissible.

Appropriations for any of such purposes are payable from the Road Fund or the Grade Crossing Protection Fund as provided in Section 8 of the Motor Fuel Tax Law.

Except as provided in this paragraph, beginning with fiscal year 1991 and thereafter, no Road Fund monies shall be appropriated to the Department of State Police for the purposes of this Section in excess of its total fiscal year 1990 Road Fund appropriations for those purposes unless otherwise provided in Section 5g of this Act. For fiscal ~~years~~ year 2003 and 2004 only, no Road Fund monies shall be appropriated to the Department of State Police for the purposes of this Section in excess of \$97,310,000. It shall not be lawful to circumvent this limitation on appropriations by governmental reorganization or other methods unless otherwise provided in Section 5g of this Act.

In fiscal year 1994, no Road Fund monies shall be appropriated to the Secretary of State for the purposes of this Section in excess of the total fiscal year 1991 Road Fund appropriations to the Secretary of State for those purposes, plus \$9,800,000. It shall not be lawful to circumvent this limitation on appropriations by governmental

reorganization or other method.

Beginning with fiscal year 1995 and thereafter, no Road Fund monies shall be appropriated to the Secretary of State for the purposes of this Section in excess of the total fiscal year 1994 Road Fund appropriations to the Secretary of State for those purposes. It shall not be lawful to circumvent this limitation on appropriations by governmental reorganization or other methods.

Beginning with fiscal year 2000, total Road Fund appropriations to the Secretary of State for the purposes of this Section shall not exceed the amounts specified for the following fiscal years:

Fiscal Year 2000	\$80,500,000;
Fiscal Year 2001	\$80,500,000;
Fiscal Year 2002	\$80,500,000;
Fiscal Year 2003	\$130,500,000;
<u>Fiscal Year 2004</u>	<u>\$130,500,000;</u>
Fiscal Year <u>2005</u> 2004 and each year thereafter	\$30,500,000.

It shall not be lawful to circumvent this limitation on appropriations by governmental reorganization or other methods.

No new program may be initiated in fiscal year 1991 and thereafter that is not consistent with the limitations imposed by this Section for fiscal year 1984 and thereafter, insofar as appropriation of Road Fund monies is concerned.

Nothing in this Section prohibits transfers from the Road Fund to the State Construction Account Fund under Section 5e of this Act; nor to the General Revenue Fund, as authorized by this amendatory Act of the 93rd General Assembly.

The additional amounts authorized for expenditure in this Section by this amendatory Act of the 92nd General Assembly shall be repaid to the Road Fund from the General Revenue Fund in the next succeeding fiscal year that the General

Revenue Fund has a positive budgetary balance, as determined by generally accepted accounting principles applicable to government.

The additional amounts authorized for expenditure by the Secretary of State and the Department of State Police in this Section by this amendatory Act of the 93rd General Assembly shall be repaid to the Road Fund from the General Revenue Fund in the next succeeding fiscal year that the General Revenue Fund has a positive budgetary balance, as determined by generally accepted accounting principles applicable to government.

(Source: P.A. 91-37, eff. 7-1-99; 91-760, eff. 1-1-01; 92-600, eff. 6-28-02.)

(30 ILCS 105/8.16c new)

Sec. 8.16c. Appropriations related to efficiency initiatives. Appropriations for processing contracted assistance, the purchase of commodities and equipment, the retention of staff, and all other expenses incident to efficiency initiatives authorized by Section 405-292 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois are payable from the Efficiency Initiatives Revolving Fund. Until there are sufficient funds in the Efficiency Initiatives Revolving Fund to carry out the purposes of this amendatory Act of the 93rd General Assembly, the State agencies subject to Section 405-292 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois shall, on written approval of the Director of Central Management Services, pay the costs associated with the efficiency initiative from current appropriations as if those expenses were duly incurred by the respective agencies.

(30 ILCS 105/8j new)

Sec. 8j. Allocation and transfer of fee receipts to General Revenue Fund. If and only if any one or more of Senate Bills 774, 841, 842, and 1903 of the 93rd General Assembly become law, notwithstanding any other law to the contrary, additional amounts generated by the new and increased fees created or authorized by these amendatory Acts of the 93rd General Assembly shall be allocated between the fund otherwise entitled to receive the fee and the General Revenue Fund by the Bureau of the Budget. In determining the amount of the allocation to the General Revenue Fund, the Director of the Bureau of the Budget shall calculate whether the available resources in the fund are sufficient to satisfy the unexpended and unreserved appropriations from the fund for the fiscal year.

In calculating the available resources in a fund, the Director of the Bureau of the Budget may include receipts, transfers into the fund, and other resources anticipated to be available in the fund in that fiscal year.

Upon determining the amount of an allocation to the General Revenue Fund under this Section, the Director of the Bureau of the Budget may direct the State Treasurer and Comptroller to transfer the amount of that allocation from the fund in which the fee amounts have been deposited to the General Revenue Fund; provided, however, that the Director shall not direct the transfer of any amount that would have the effect of reducing the available resources in the fund to an amount less than the amount remaining unexpended and unreserved from the total appropriation from that fund for that fiscal year.

The State Treasurer and Comptroller shall transfer the amounts designated under this Section as soon as may be practicable after receiving the direction to transfer from the Director of the Bureau of the Budget.

Section 50-20. The Pretrial Services Act is amended by changing Section 33 as follows:

(725 ILCS 185/33) (from Ch. 38, par. 333)

Sec. 33. The Supreme Court shall pay from funds appropriated to it for this purpose 100% of all approved costs for pretrial services, including pretrial services officers, necessary support personnel, travel costs reasonably related to the delivery of pretrial services, space costs, equipment, telecommunications, postage, commodities, printing and contractual services. Costs shall be reimbursed monthly, based on a plan and budget approved by the Supreme Court. No department may be reimbursed for costs which exceed or are not provided for in the approved plan and budget. For State fiscal year 2004 only, the Mandatory Arbitration Fund may be used to reimburse approved costs for pretrial services.

(Source: P.A. 84-1449.)

Section 50-25. The Probation and Probation Officers Act is amended by changing Section 15 as follows:

(730 ILCS 110/15) (from Ch. 38, par. 204-7)

Sec. 15. (1) The Supreme Court of Illinois may establish a Division of Probation Services whose purpose shall be the development, establishment, promulgation, and enforcement of uniform standards for probation services in this State, and to otherwise carry out the intent of this Act. The Division may:

(a) establish qualifications for chief probation officers and other probation and court services personnel as to hiring, promotion, and training.

(b) make available, on a timely basis, lists of those applicants whose qualifications meet the

regulations referred to herein, including on said lists all candidates found qualified.

(c) establish a means of verifying the conditions for reimbursement under this Act and develop criteria for approved costs for reimbursement.

(d) develop standards and approve employee compensation schedules for probation and court services departments.

(e) employ sufficient personnel in the Division to carry out the functions of the Division.

(f) establish a system of training and establish standards for personnel orientation and training.

(g) develop standards for a system of record keeping for cases and programs, gather statistics, establish a system of uniform forms, and develop research for planning of Probation Services.

(h) develop standards to assure adequate support personnel, office space, equipment and supplies, travel expenses, and other essential items necessary for Probation and Court Services Departments to carry out their duties.

(i) review and approve annual plans submitted by Probation and Court Services Departments.

(j) monitor and evaluate all programs operated by Probation and Court Services Departments, and may include in the program evaluation criteria such factors as the percentage of Probation sentences for felons convicted of Probationable offenses.

(k) seek the cooperation of local and State government and private agencies to improve the quality of probation and court services.

(l) where appropriate, establish programs and corresponding standards designed to generally improve the quality of probation and court services and reduce the

rate of adult or juvenile offenders committed to the Department of Corrections.

(m) establish such other standards and regulations and do all acts necessary to carry out the intent and purposes of this Act.

The Division shall establish a model list of structured intermediate sanctions that may be imposed by a probation agency for violations of terms and conditions of a sentence of probation, conditional discharge, or supervision.

The State of Illinois shall provide for the costs of personnel, travel, equipment, telecommunications, postage, commodities, printing, space, contractual services and other related costs necessary to carry out the intent of this Act.

(2) (a) The chief judge of each circuit shall provide full-time probation services for all counties within the circuit, in a manner consistent with the annual probation plan, the standards, policies, and regulations established by the Supreme Court. A probation district of two or more counties within a circuit may be created for the purposes of providing full-time probation services. Every county or group of counties within a circuit shall maintain a probation department which shall be under the authority of the Chief Judge of the circuit or some other judge designated by the Chief Judge. The Chief Judge, through the Probation and Court Services Department shall submit annual plans to the Division for probation and related services.

(b) The Chief Judge of each circuit shall appoint the Chief Probation Officer and all other probation officers for his or her circuit from lists of qualified applicants supplied by the Supreme Court. Candidates for chief managing officer and other probation officer positions must apply with both the Chief Judge of the circuit and the Supreme Court.

(3) A Probation and Court Service Department shall apply to the Supreme Court for funds for basic services, and may

apply for funds for new and expanded programs or Individualized Services and Programs. Costs shall be reimbursed monthly based on a plan and budget approved by the Supreme Court. No Department may be reimbursed for costs which exceed or are not provided for in the approved annual plan and budget. After the effective date of this amendatory Act of 1985, each county must provide basic services in accordance with the annual plan and standards created by the division. No department may receive funds for new or expanded programs or individualized services and programs unless they are in compliance with standards as enumerated in paragraph (h) of subsection (1) of this Section, the annual plan, and standards for basic services.

(4) The Division shall reimburse the county or counties for probation services as follows:

(a) 100% of the salary of all chief managing officers designated as such by the Chief Judge and the division.

(b) 100% of the salary for all probation officer and supervisor positions approved for reimbursement by the division after April 1, 1984, to meet workload standards and to implement intensive sanction and probation supervision programs and other basic services as defined in this Act.

(c) 100% of the salary for all secure detention personnel and non-secure group home personnel approved for reimbursement after December 1, 1990. For all such positions approved for reimbursement before December 1, 1990, the counties shall be reimbursed \$1,250 per month beginning July 1, 1995, and an additional \$250 per month beginning each July 1st thereafter until the positions receive 100% salary reimbursement. Allocation of such positions will be based on comparative need considering capacity, staff/resident ratio, physical plant and

program.

(d) \$1,000 per month for salaries for the remaining probation officer positions engaged in basic services and new or expanded services. All such positions shall be approved by the division in accordance with this Act and division standards.

(e) 100% of the travel expenses in accordance with Division standards for all Probation positions approved under paragraph (b) of subsection 4 of this Section.

(f) If the amount of funds reimbursed to the county under paragraphs (a) through (e) of subsection 4 of this Section on an annual basis is less than the amount the county had received during the 12 month period immediately prior to the effective date of this amendatory Act of 1985, then the Division shall reimburse the amount of the difference to the county. The effect of paragraph (b) of subsection 7 of this Section shall be considered in implementing this supplemental reimbursement provision.

(5) The Division shall provide funds beginning on April 1, 1987 for the counties to provide Individualized Services and Programs as provided in Section 16 of this Act.

(6) A Probation and Court Services Department in order to be eligible for the reimbursement must submit to the Supreme Court an application containing such information and in such a form and by such dates as the Supreme Court may require. Departments to be eligible for funding must satisfy the following conditions:

(a) The Department shall have on file with the Supreme Court an annual Probation plan for continuing, improved, and new Probation and Court Services Programs approved by the Supreme Court or its designee. This plan shall indicate the manner in which Probation and Court Services will be delivered and improved, consistent with

the minimum standards and regulations for Probation and Court Services, as established by the Supreme Court. In counties with more than one Probation and Court Services Department eligible to receive funds, all Departments within that county must submit plans which are approved by the Supreme Court.

(b) The annual probation plan shall seek to generally improve the quality of probation services and to reduce the commitment of adult and juvenile offenders to the Department of Corrections and shall require, when appropriate, coordination with the Department of Corrections and the Department of Children and Family Services in the development and use of community resources, information systems, case review and permanency planning systems to avoid the duplication of services.

(c) The Department shall be in compliance with standards developed by the Supreme Court for basic, new and expanded services, training, personnel hiring and promotion.

(d) The Department shall in its annual plan indicate the manner in which it will support the rights of crime victims and in which manner it will implement Article I, Section 8.1 of the Illinois Constitution and in what manner it will coordinate crime victims' support services with other criminal justice agencies within its jurisdiction, including but not limited to, the State's Attorney, the Sheriff and any municipal police department.

(7) No statement shall be verified by the Supreme Court or its designee or vouchered by the Comptroller unless each of the following conditions have been met:

(a) The probation officer is a full-time employee appointed by the Chief Judge to provide probation

services.

(b) The probation officer, in order to be eligible for State reimbursement, is receiving a salary of at least \$17,000 per year.

(c) The probation officer is appointed or was reappointed in accordance with minimum qualifications or criteria established by the Supreme Court; however, all probation officers appointed prior to January 1, 1978, shall be exempted from the minimum requirements established by the Supreme Court. Payments shall be made to counties employing these exempted probation officers as long as they are employed in the position held on the effective date of this amendatory Act of 1985. Promotions shall be governed by minimum qualifications established by the Supreme Court.

(d) The Department has an established compensation schedule approved by the Supreme Court. The compensation schedule shall include salary ranges with necessary increments to compensate each employee. The increments shall, within the salary ranges, be based on such factors as bona fide occupational qualifications, performance, and length of service. Each position in the Department shall be placed on the compensation schedule according to job duties and responsibilities of such position. The policy and procedures of the compensation schedule shall be made available to each employee.

(8) In order to obtain full reimbursement of all approved costs, each Department must continue to employ at least the same number of probation officers and probation managers as were authorized for employment for the fiscal year which includes January 1, 1985. This number shall be designated as the base amount of the Department. No positions approved by the Division under paragraph (b) of subsection 4 will be included in the base amount. In the event that the

Department employs fewer Probation officers and Probation managers than the base amount for a period of 90 days, funding received by the Department under subsection 4 of this Section may be reduced on a monthly basis by the amount of the current salaries of any positions below the base amount.

(9) Before the 15th day of each month, the treasurer of any county which has a Probation and Court Services Department, or the treasurer of the most populous county, in the case of a Probation or Court Services Department funded by more than one county, shall submit an itemized statement of all approved costs incurred in the delivery of Basic Probation and Court Services under this Act to the Supreme Court. The treasurer may also submit an itemized statement of all approved costs incurred in the delivery of new and expanded Probation and Court Services as well as Individualized Services and Programs. The Supreme Court or its designee shall verify compliance with this Section and shall examine and audit the monthly statement and, upon finding them to be correct, shall forward them to the Comptroller for payment to the county treasurer. In the case of payment to a treasurer of a county which is the most populous of counties sharing the salary and expenses of a Probation and Court Services Department, the treasurer shall divide the money between the counties in a manner that reflects each county's share of the cost incurred by the Department.

(10) The county treasurer must certify that funds received under this Section shall be used solely to maintain and improve Probation and Court Services. The county or circuit shall remain in compliance with all standards, policies and regulations established by the Supreme Court. If at any time the Supreme Court determines that a county or circuit is not in compliance, the Supreme Court shall immediately notify the Chief Judge, county board chairman and

the Director of Court Services Chief Probation Officer. If after 90 days of written notice the noncompliance still exists, the Supreme Court shall be required to reduce the amount of monthly reimbursement by 10%. An additional 10% reduction of monthly reimbursement shall occur for each consecutive month of noncompliance. Except as provided in subsection 5 of Section 15, funding to counties shall commence on April 1, 1986. Funds received under this Act shall be used to provide for Probation Department expenses including those required under Section 13 of this Act. For State fiscal year 2004 only, the Mandatory Arbitration Fund may be used to provide for Probation Department expenses, including those required under Section 13 of this Act.

(11) The respective counties shall be responsible for capital and space costs, fringe benefits, clerical costs, equipment, telecommunications, postage, commodities and printing.

(12) Probation officers shall be considered peace officers in the exercise of their official duties. Probation officers, sheriffs and police officers may, anywhere within the State, arrest any probationer who is in violation of any of the conditions of his probation, and it shall be the duty of the officer making such arrest to take said probationer before the Court having jurisdiction over him for further order.

(Source: P.A. 89-198, eff. 7-21-95; 89-390, eff. 8-20-95; 89-626, eff. 8-9-96.)

Section 50-35. The Code of Civil Procedure is amended by changing Section 2-1009A as follows:

(735 ILCS 5/2-1009A) (from Ch. 110, par. 2-1009A)

Sec. 2-1009A. Filing Fees. In each county authorized by the Supreme Court to utilize mandatory arbitration, the clerk

of the circuit court shall charge and collect, in addition to any other fees, an arbitration fee of \$8, except in counties with 3,000,000 or more inhabitants the fee shall be \$10, at the time of filing the first pleading, paper or other appearance filed by each party in all civil cases, but no additional fee shall be required if more than one party is represented in a single pleading, paper or other appearance. Arbitration fees received by the clerk of the circuit court pursuant to this Section shall be remitted within one month after receipt to the State Treasurer for deposit into the Mandatory Arbitration Fund, a special fund in the State treasury for the purpose of funding mandatory arbitration programs and such other alternative dispute resolution programs as may be authorized by circuit court rule for operation in counties that have implemented mandatory arbitration, with a separate account being maintained for each county. Notwithstanding any other provision of this Section to the contrary, and for State fiscal year 2004 only, up to \$5,500,000 of the Mandatory Arbitration Fund may be used for any other purpose authorized by the Supreme Court.

(Source: P.A. 88-108; 89-532, eff. 7-19-96.)

ARTICLE 999

Section 999-99. Effective date. This Act takes effect upon becoming law.